This record is a partial extract of the original cable. The full text of the original cable is not available.

021652Z Nov 00

## CONFIDENTIAL PTO4359

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ACTION AF-00

LOG-00 NP-00 AGRE-00 AID-00 ACQ-00 COME-00 CTME-00 DINT-00 DODE-00 DOTE-00 INFO LOG-00 CEA-01 CTAE-00 SRPP-00 DS-00 EUR-00 EXIM-01 E-00 TEDE-00 INR-00 EB-00 FAAE-00 FBIE-00 VC-00 FRB-00 H - 01ITC-01 L-00 VCE-00 AC-01 NSAE-00 OMB-01 OPIC-01 PA-00 PM-00 PRS-00 ACE-00 SSO-00 TRSE-00 P - 00SP-00 STR-00 NFAT-00 DSCC-00 DRL-02 PMB-00 G-00 SAS-00 /009W ----9A0623 021653Z /38

FM AMEMBASSY HARARE TO SECSTATE WASHDC IMMEDIATE 7510 INFO NSC WASHDC IMMEDIATE SOUTHERN AFRICAN DEVELOPMENT COMMUNITY AMEMBASSY NAIROBI

C O N F I D E N T I A L SECTION 01 OF 02 HARARE 006191

NSC FOR SENIOR AFRICA DIRECTOR GAYLE SMITH

LONDON FOR CHARLES GURNEY

PARTS FOR BISA WILLIAMS

PASS USTR FOR ROSA WHITAKER

E.O. 12958: DECL: 11/02/10

TAGS: PGOV ECON EAGR PREL PINR ZI SUBJECT: PROMINENT ZIMBABWEAN BUSINESS LEADERS TRYING TO ENCOURAGE A SOLUTION TO THE LAND PROBLEM AND URGE POLITICAL PARTIES TO WORK OUT THEIR DIFFERENCES

REFTEL: HARARE 5983

CLASSIFIED BY AMBASSADOR TOM MCDONALD FOR REASONS 1.5 (B) AND (D).

- (C) SUMMARY: THE CEO OF A MAJOR ZIMBABWEAN CORPORATION TOLD AMBASSADOR NOVEMBER 2 THAT HE AND OLD MUTUAL INSURANCE COMPANY ARE ARRANGING A PRIVATE CREDIT FACILITY TO PURCHASE 300 TO 400 COMMERCIAL FARMS TO HELP BREAK THE LOGJAM ON LAND REFORM. THE CEO ALSO STATED THAT HE AND OTHER BUSINESS LEADERS ARE ENCOURAGING THE RULING ZANU-PF AND OPPOSITION MDC TO IRON OUT THEIR DIFFERENCES THROUGH THIRD-PARTY MEDIATION. HE IS HAVING AN INTERMEDIARY APPROACH FORMER ZAMBIAN PRESIDENT KENNETH KAUNDA TO DETERMINE IF HE WOULD SERVE AS MEDIATOR. END SUMMARY.
- (C) THE AMBASSADOR SPOKE NOVEMBER 2 WITH PATRICK ROONEY (PROTECT), THE CEO OF DELTA CORPORATION, ZIMBABWEAN CORPORATION THAT IS CONTROLLED BY OLD MUTUAL AND SOUTH AFRICAN BREWERIES, AND IS IN THE BEVERAGE AND TOURISM BUSINESSES IN ZIMBABWE. ROONEY IS A WELL-CONNECTED WHITE ZIMBABWEAN WHO IS POLITICALLY ASTUTE AND MOVES EASILY IN A VARIETY OF BUSINESS AND GOVERNMENT CIRCLES. ROONEY TOLD THE AMBASSADOR THAT HE AND OLD MUTUAL ARE ARRANGING A CREDIT FACILITY FOR THE GOZ TO PURCHASE 300 TO 400 COMMERCIAL FARMS CURRENTLY CONFIDENTIAL
- PAGE 03 HARARE 06191 01 OF 02 021653Z
  DESIGNATED FOR ACQUISITION. PART OF THE PROPOSAL WOULD
  ALLOW WAR VETERANS OCCUPYING FARMS TO BE RELOCATED TO
  THE NEWLY PURCHASED PROPERTIES. ROONEY STATED THAT HE
  HOPES THIS MOVE WILL HELP BREAK THE LOGJAM ON LAND REFORM AND REMOVE THE LAWLESS ELEMENTS, NAMELY THE WAR VETERANS, FROM THE LAND RESETTLEMENT PICTURE, THEREBY DEMONSTRATING TO THE INTERNATIONAL COMMUNITY THAT LAW AND ORDER IS RETURNING TO ZIMBABWE.
- (C) ROONEY CONTINUED THAT THIS PROPOSAL WOULD SOON BE PUT TO PRESIDENT MUGABE, BUT IT WAS UNCLEAR TO HIM WHETHER THE PRESIDENT WOULD ACCEPT IT. THE CEO SAID THAT VICE-PRESIDENT MSIKA HAD ENDORSED THE PROGRAM, BUT BELIEVED THAT MINISTER OF STATE FOR INFORMATION AND PUBLICITY JONATHAN MOYO, MINISTER FOR LOCAL GOVERNMENT IGNATIUS CHOMBO, AND MINISTER FOR LANDS, AGRICULTURE AND RESETTLEMENT JOSEPH MADE COULD STILL SCUTTLE THE EFFORT. ROONEY STATED THAT THE COMMERCIAL FARMER'S UNION (CFU) HAS NOT BEEN ABLE TO GET ITS ACT TOGETHER IN NEGOTIATING WITH THE GOZ. HE SAID THAT THE CFU IS NOT INVOLVED IN THE DEAL, NOTING THAT IT WAS STRICTLY A PRIVATE BUSINESS PROPOSAL.
- 14. (C) ON A SEPARATE SUBJECT, ROONEY INFORMED THE

AMBASSADOR THAT HE AND OTHER BUSINESS LEADERS ARE ENCOURAGING THE RULING ZANU-PF AND OPPOSITION MDC TO WORK OUT THEIR DIFFERENCES AND ARE SEEKING A MEDIATOR TO HELP THEM. THERE IS CURRENTLY A SHORT LIST OF POTENTIAL MEDIATORS, AT THE TOP OF WHICH IS FORMER ZAMBIAN PRESIDENT KENNETH KAUNDA. KAUNDA IS A GOOD POSSIBILITY BUT MAY BE A PROBLEM WITH MUGABE BECAUSE OF HIS PRIOR CONFIDENTIAL

PAGE 04 HARARE 06191 01 OF 02 021653Z SUPPORT OF JOSHUA NKOMO. THERE ARE NO SOUTH AFRICANS ON THE SHORT LIST, ROONEY CONTINUED. THE AMBASSADOR TOLD ROONEY THAT THE USG WELCOMES BOTH THESE INITIATIVES AND ENCOURAGES ALL THE PARTIES INVOLVED TO KEEP THE CHANNELS OF DIALOGUE OPEN. THE AMBASSADOR ASKED ROONEY TO KEEP US APPRISED OF ANY DEVELOPMENTS IN THESE NEGOTIATIONS.

15. (C) COMMENT: WE BELIEVE ROONEY TO BE A VERY CREDIBLE SOURCE AND WHAT HE TOLD US REPRESENTS A PROLIFERATION OF BEHIND-THE-SCENES ATTEMPTS TO GET THE GOVERNMENT AND OPPOSITION TALKING. IT TRACKS PARTICULARLY WELL WITH WHAT BUSINESSMAN AND MDC SUPPORTER CLIVE PUZEY TOLD US, IN THAT THE PRESIDENT'S OFFICE HAD BEEN TALKING TO THE MDC ABOUT A PRIVATELY-FUNDED LAND DEAL AS PART OF A RETIREMENT PACKAGE FOR MUGABE (REFTEL). ROONEY'S REMARKS ABOUT ENCOURAGING THE PARTIES TO SEEK MEDIATION COULD ALSO BE AN INDICATION THAT ATTEMPTS BY ZANU-PF AND MDC TO NEGOTIATE HAVE STALLED. IT IS DIFFICULT TO PREDICT WHETHER ANY OF THESE DISCUSSIONS WILL AMOUNT TO ANYTHING AND HEAD OFF A MORE PUBLIC CONFRONTATION BETWEEN OPPOSITION SUPPORTERS AND THE POWERS-THAT-BE. WE ARE ENCOURAGED NEVERTHELESS THAT THE STAKEHOLDERS DO SEEM TO BE TALKING OFF-STAGE EVEN AS THEIR ON-STAGE THEATRICS BECOME MORE VITRIOLIC. THE AMBASSADOR WILL CONTINUE TO ENCOURAGE ROONEY'S EFFORTS. END COMMENT.

## CONFIDENTIAL

CONFIDENTIAL PTO4360

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NP-00 AGRE-00 AID-00 ACQ-00 CTME-00 DINT-00 DODE-00 DOTE-00 LOG-00 CEA-01 INFO CIAE-00 COME-00 SRPP-00 DS-00 EXIM-01 E-00 TEDE-00 INR-00 EUR-00 EB-00 FAAE-00 FBIE-00 VC-00 FRB-00 ITC-01 H - 01L-00 VCE-00 AC-01 NSAE-00 OMB-01 OPIC-01 PA-00 PM-00 PRS-00 ACE-00 P - 00SP-00 SSO-00 STR-00 TRSE-00 USIE-00 DSCC-00 DRL-02 NFAT-00 SAS-00 /009W PMB-00 G = 0.0----9A0625 021653Z /38

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MCDONALD

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